

**TOWN OF UXBRIDGE
BOARD OF SELECTMEN**
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town.manager@uxbridge-ma.gov

**Jill R. Myers
Town Manager**

TO: Honorable Board of Selectmen
FROM: Jill R. Myers, Town Manager
DATE: August 24, 2007
SUBJECT: Town Manager's Report for the BOS Meeting of August 27, 2007

ASSESSING GRAVEL PITS

I have relayed the discussion from the BOS meeting on 8/13/07 concerning the assessment of Gravel Pits to our Assessor David Utakis, as well as the TIF spreadsheet he created for the BOS. He will provide a memo, but he had been on vacation this week.

BERNAT MILL FIRE – RECOVERY EFFORTS

The Director of Planning and Economic Development, Megan DiPrete, has continued to work with the property owners, local businesses, State and Local agencies as well as the Uxbridge Business Association (UBA). She had asked the UBA to survey the downtown businesses to estimate the economic impact of the fire, and that is pending. She also spoke with the Manager at Papa Gino's on 8/24. He said that, contrary to most of New England, the North Uxbridge store is doing great. They have not seen a loss in sales (neither generally nor due to the fire). No staffing changes. This is contrary to what was reported to the BOS at Citizen's Forum on 8/13/07. There is a staff-level task force group is scheduled to meet on Monday, August 27th, at 9am at the Uxbridge Police Station. The plan for the one-hour meeting is as follows: Status check – Where do we stand relative to costs; Where do we stand relative to school programs that were located in the Mill; Where do we stand relative to getting the "survey" compiled, and sharing that information; and the status of the requests to the legislative delegation.

The SBA has approved loans for three businesses and plans to make a ceremonial presentation at 10:00am on 8/30 at Town Hall.

FIREFIGHTER'S RECOGNITION LUNCHEON

On Thursday, August 16th, Selectmen Kuros and I along with various staff members participated in a luncheon sponsored by the Senior Center to thank the individuals involved in battling the Bernat Mill Fire. It was a very touching tribute, highlighted by the distribution to Chief Ostroskey of blessed cards containing the image of the patron saint of firefighters. The luncheon also provided music from the Nazarene Church and stories filled with memories from seniors who spent numerous years working at the Mill.

43 D EXPEDITED PERMITTING BYLAW REVIEW MEETING: 8/29

Ms. DiPrete has provided a staff report for the agenda item. The next meeting with Attorney Bobrowski is 8/29 at 7:00pm with the ZBA.

GROUP INSURANCE COMMISSION (GIC) INFORMATION SESSIONS

The Finance Director attended informational sessions this week and has preliminarily analyze the cost/benefits to participate. He has provided a staff report for the agenda item. The deadline to participate in FY2009 is October 1, 2007. A Public Employees Group would need to be assembled very soon if the BOS is interested in participating in the GIC.

POT HOLE GRANT

I am pleased to announce that the Town was awarded \$55,000 for unrestricted use as a general local receipt. This funding may be appropriated at the Fall Annual Town Meeting. Additionally, Senator Moore's office reported that the Town received an additional amount of \$10,000. We are awaiting confirmation if this funding is for the loss associated with the education programs at the mill, general fire recovery costs, or can be used as a general local receipt.

AUDITS: FY06 AND FY07

The Auditors were on site this week to complete the FY06 audit and initiate the FY07 audit. A report by them is forthcoming.

COMMITTEE/BOARD APPOINTMENTS

I am please to announce the appointment of Bruce Desilets as an Associate member on the Zoning Board of Appeals, but there may be some shuffling of the positions. As I mentioned in my last report to you, John Niewiecki has been appointed as an Associate member, but has since accepted a new job, so he has declined the appointment. Chuck Lutton has indicated his desire to continue to serve on the ZBA as an Associate member, having no conflicts with Planning Board duties as he checked with the State. The Charter provides for a 3-member ZBA with two Associates (per bylaw).

The following committee/board vacancies remain and we are actively recruiting to fill these slots:

- Cultural Arts Council (2 positions)
- Parade Committee
- Recreation Commission
- Town Common Committee
- Website Committee (1 current member)

We are also still recruiting to form the following committees:

- ADA Committee
- Affordable Housing Committee
- Compensation Advisory Board
- Industrial Development Committee

These vacancies are currently advertised on cable, the website, and the Town Clerk's bulletin board.

OFFICE RELOCATIONS/RENOVATIONS

Our Director of Planning and Economic Development, Megan DiPrete, has temporarily relocated to the Building Department and is sharing an office with our Building Inspector Nick Gazerro. Megan's

Assistant, Tracey Ante, is also located in this area, sharing an office with the Building Inspector's Assistant, June Bangma. Megan's downstairs office is in the process of being updated in terms of wiring, plumbing removal, painting, etc., and once this process is complete, Town Accountant Justin Cole and his Assistant Nora Raymond will relocate to this office. There will be some office moves upstairs as well, and I will keep you informed of what they are once plans have been finalized.

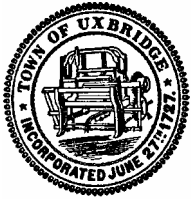
RESPONSE TO QUESTIONS RAISED AT CITIZENS FORUM

Attached is a memo from the Finance Director to me relating to concerns raised at Citizen's Forum on 8/13/07.

TOWN HALL CLOSED

Please note that the Town Hall will be closed on Monday, September 3rd, in observance of Labor Day.

Attachments



**TOWN OF UXBRIDGE
OFFICE OF THE FINANCE DIRECTOR
TOWN TREASURER/COLLECTOR**

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**David A. Genereux
Finance Director**

DATE: August 24, 2007
TO: Jill Myers, Town Manager
FROM: David Genereux, Finance Director
RE: Questions raised at Citizen's Forum at the BOS Meeting of 8/13/07

I am writing in response to your request that I address the concerns expressed at the August 13th Board of Selectmen meeting during Citizen's Forum by Peter Baghdasarian. Tracy Leavitt listed four questions, which I will address individually:

- 1.) **Who made the decision to buy new accounting software?** Prior to my arrival in March of 2006, the Town used two financial systems; Vadar for real estate, personal property, motor vehicle taxes, and water/sewer billing collections; and Budget Sense for cash receipts and accounting functions. There was no interface between Vadar and Budget Sense; meaning all tax collection work done on Vadar had to be entered again into Budget Sense in order to properly post into the general ledger. Staff members on the Tax Collector's side of the office would input data into Vadar, and produce a weekly turnover, which would then be posted into Budget Sense, along with the Treasurer's daily bank deposits by the Treasurer's part-time staff member. The same staff member would also produce a manual early 1900's style "Cash Book", meaning the lion's share of her 20 hours per week was spent posting duplicate entries. This setup is appropriate in town halls that have separate Treasurer and Collector's Offices, but it is hardly practical today.

When I arrived in March of 2006, the first priority was the budget. Immediately prior, the BOS and interim Town Manager had contracted with two outside firms for interim accounting and treasurer/collector services due to staff departures. Recruitments were initiated prior to my arrival. A new accountant was hired in May of 2006 (I will discuss that issue separately). I then solicited input from the departments, with the goal of setting a unified, single source system that would provide accurate financial reporting and eliminate duplicate posting. I also discussed the issue at length with Community Solutions, who was serving the role of interim Town Accountant in January 2006. Budget Sense was not properly functioning at that point; as there were no starting FY 2006 balances or budgets present. This was a decision of the prior finance administration. In my opinion, that was the time to consider a transition to something more functional.

Representatives from Vadar and Budget Sense were interviewed (MUNIS was considered as well, but while it is the best available municipal software package, it was prohibitively expensive). In the end, after presentation by Vadar to the departments, it was my recommendation that Vadar integrate its municipal accounting package with the existing modules in order to create a single comprehensive financial system that would perform all functions from revenue generation to final balance sheet. This purchase was approved by the Town Manager, Board of Selectmen, Finance Committee, and finally by the voters, as the purchase was funded by both a reserve fund transfer (FY 2006) and by Town Meeting action (11/21/2006 FATM).

- 2.) **Who made the decision to buy accounting software from a basically new company in this field?** Vadar is not a new company in the field. They have been in place for over 10 years, providing comprehensive financial packages to municipalities. They have over 500 applications installed in 80 communities. My previous community reviewed the Vadar accounting and tax collection package as far back as 1996. In addition, Community Solutions, a firm well versed in providing accounting services to municipalities of all sizes, believed that Vadar is the best integrated package for a community of Uxbridge's budget and population. I made the decision to recommend Vadar to you, based on Community Solution's comments, the department's complaints with Budget Sense, and the fact that Vadar was already running the tax and water/sewer billing packages. The only thing missing, as was mentioned by Mr. Baghdasarian, was the ability to input data remotely. It is true that the DPW did have to come to the Treasurer/Collector's Office in the past in order to enable Water/Sewer commitments. This was not a Vadar issue, but a pre-existing issue with Citrix, that has since been resolved when you worked to complete connection of all of the Town's satellite offices to the local area network.

Vadar is fully functional, and the FY 2008 budgets are in place. Vadar is now using our site as a beta testing site for custom account reporting directly off the Vadar system, which will eventually reduce the need for reports to be processed through Excel.

- 3.) **Who made the decision to hire an accountant with no experience and after that provided inadequate supervision?** The FY 2007 budget aside, my other main priority upon being hired by the Town was to recruit a new Town Accountant, in hopes of eliminating the costly interim accounting services. The former accountant departed in late 2005. The first advertisement prior to your arrival, requiring municipal experience, and showing the salary range, placed in the Worcester Telegram, Boston Globe and on the MMA and MGOFA websites produced no viable candidates. Community Solutions inquired amongst all of the communities (present and past) that they served to assist in the recruitment. The feedback that they received indicated the Town has a "reputation" as a difficult community, and that no experienced municipal accountant would accept the position at that salary. With that in mind, we re-advertised, relaxing the experience, with the same three sources, knowing that the interim services could assist in a limited fashion. We got a few resumes from the Globe and Telegram advertisements, but still no applications from the MMA or MGOFA ad (which are the main recruitment sources for municipal professionals). You were also aware of many towns recruiting for the same position. At that point, I publicly stated that it appeared that I recommended the hiring of an individual with accounting expertise, but without municipal experience, largely due to the lack of experienced candidates, and the fact that other communities seeking accountants were outspending us by up to 30k per year.

Our first accountant appeared to be technically sound with accounting practices and procedures. He was supervised by myself and Community Solutions, and despite some small issues seemed to be working out fine. Free Cash was certified in late October, and the Schedule A was submitted timely. It was an issue with the production of the year-end financials that shed light on his deficient performance. It seems that he was proficient in daily works but was unable to properly set up the underpinnings of the chart of accounts. I discussed the issue with you and both Community Solutions and our auditor, Eric Demas, of Melanson and Heath, and all agreed that he had enough ability to disguise his errors, and that they only came out when year end reports were run. These errors led to the re-certification of FY 2007 Free Cash. As you know, you released him during his probationary period in early December of 2006.

Our current accountant, Justin Cole, also had no municipal experience, but has accounting and auditing experience. That being said, his work product has been far superior to our previous accountant. We have retained Community Solutions for part of FY 2008 (separate line item in the budget) only to insure that the clean up work for FY 2007 is completed corrected and that the year end reports are completed timely. Justin has taken full charge of the FY 2008 budget, and I am pleased to report that we are making great progress with our financial reporting, and strengthening internal controls not previously executed.

Since I have been Finance Director, we have had two town accountants. Both had accounting experience although not municipal experience, and both were hired at sub prime salary. One failed to pass probation, the other has excelled. The hiring process is a gamble. If the Town paid market value salary, it would be easy to find a proficient employee. At \$20 to 30k below market, every hire is a risk.

Who is making these decisions and do we in fact have management in the Town of Uxbridge? Although this question appears to be rhetorical, and you are certainly aware of your authority, it needs an answer. The Town of Uxbridge implemented a Town Charter in 2002 that instituted a strong town manager form of government. The Town Manager delegates financial management to the Finance Director, a position created by the Town's first Town Manager, the position for which I was hired replacing the former Finance Director.

We indeed have management here in Uxbridge, and given time, we will have stronger internal controls and operating functions in order to look forward, in addition to continuing to correct deficiencies of many years past.

Regardless of the comments expressed at Citizen's Forum, departments across the Town continue to work together to increase efficiencies. Much progress has been made thus far, but it is especially concerning because questions such as this negatively affect the casual viewer, while serving to spread information that may not be entirely accurate and does not allow for the detailing of positive accomplishments.

Please contact me with any questions.